

2 March 1961

MEMORANDUM FOR THE RECORD

SUBJECT: Generalized Review of Department of Labor
Manuscript Submission for 32 (44) and 86 (44M)

Generalized substantive evaluation (prior to completion of more detailed D/E examination) of the subject two sections as demonstration of Labor qualification for series contribution of NIS Sections 44 has two major limitations: (1) Both areas are relatively unindustrialized and therefore there is little clue as to how adequately Labor would deal with the important broader aspects of Manpower, large-scale management, and management-labor relations in a complex industrialized area such as France. (2) According to the State NIS Coordinator, these efforts were reviewed during production by at least two labor specialists in State but outside INR who found major deficiencies, and the final carefully-typed product received by OBI provides much less basis for judging Labor capability than would this material before any outside-Labor review. Without getting into phrasing which it would be and can be expected to increasingly become difficult to debate with Labor personnel, a general reading indicates predisposition toward the lower social groups and organized labor's motivation and performance; in view of the characteristics of this topical field this underlines the important basic question of to what extent the end product can be expected to approximate the objectives of professional Intelligence. The expectable need for measures to achieve more low-key Intelligence standards is indicated by the statement on page 133 of the 86 (44M) ms that "responsible citizens of Venezuela cannot help but be thankful that such a large part of the labor movement supports democratic government, constitutionality, and law and order," on page 37, "Venezuela, as we have seen. . .," and notably the statement on page 2 that "Venezuela. . . has not yet developed a scientific maturity in the utilization of manpower. . ." -- a professionally ingenuous phrase that might well startle a new Secretary Goldberg who has publicly expressed grave concern with unemployment levels in the world's most advanced industrialized nation. It must be conceded that similar problems arose with Labor-oriented analysts in State when Section 44 production began and have not been entirely eliminated, but these aspects should be informally conveyed to Labor in connection with any reallocation of Section 44 production to the Department of Labor.

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cc: Ch/D/E

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